

## PSC won't revisit Alabama Power rate decision

Written by Brad Harper

Oct. 2, 2013 |

montgomeryadvertiser.com



Purchase Image Zoom

**Twinkle Cavanaugh, president of the Alabama Public Service Commission, speaks during an Aug. 13 meeting. / Mickey Welsh / Advertiser file**

With potential savings for power customers under dispute and with accusations flying, the Alabama Public Service Commission on Tuesday rejected a request from a consumer advocacy group to revisit the changes it approved in August to Alabama Power Co.'s rate structure.

*Twinkle Cavanaugh, president of the Alabama Public Service Commission, speaks during an Aug. 13 meeting.*

The PSC voted down the request by AARP 2-1, with John Garner, chief administrative law judge and executive director for the PSC, saying it rehashed old arguments that already had been considered and dismissed by the PSC.

PSC President Twinkle Andress Cavanaugh and Commissioner Jeremy Oden voted against the request. Commissioner Terry Dunn, the lone dissenting vote, also voted against the Aug. 13 action. Dunn issued a release saying the PSC's move is likely to increase Alabama Power's profits instead of reducing rates and said the changes muddle the numbers in a "deliberate effort to fool people."

"The people of Alabama shouldn't have to do the math to learn the truth," Dunn said in the statement.

PSC President Twinkle Andress Cavanaugh said after the Aug. 13 vote that Alabama Power customers could expect a savings of \$30 to \$110 a year on their bills because of the rate structure changes. But Alabama Power spokesman Michael Sznajderman later said the company expects rates to remain level through next year.

"We don't know specifically how the commissioners arrived at their numbers," Sznajderman said Tuesday. Still, he said the changes will put downward pressure on the company's rates that will mean savings "over the long term."

Sznajderman later sent an email statement in response to Dunn's claims that power bills might not fall. "To be clear, this creates savings for our customers going forward," he said in the statement.

After a series of public hearings, the commission voted in August to change radically how the company's rates are measured, settling on a rarely used formula they said would lower bills and increase oversight while using a more accurate picture of the company's finances. Critics, including AARP, argued the change likely won't lead to savings and will make it more difficult to compare Alabama Power's rates to similar companies in other states.

"Based on the way that consumers were treated in the original order, I guess it might be expected," AARP attorney John Coffman said after Tuesday's vote. "But it's quite disappointing."

“It seems like a lot of politics are involved.”

Cavanaugh declined to answer questions about the AARP request after the meeting, referring reporters instead to a statement she issued that criticized AARP for supporting the Affordable Care Act.

“I find it quite coincidental that we would consider this filing on the same day that ObamaCare goes into effect,” she said in the statement.

“Anyone who looks with an unbiased eye will agree that this has been the most open and transparent review in the history of the Alabama Public Service Commission.”

In declining further comment about the vote Tuesday, she said the PSC is “on to gas.”

The commission will hold the last in a series of public hearings about Alagasco rates at 8:30 a.m. Oct. 9 in the ninth floor hearing room at the RSA Union building, 100 N. Union St. in downtown Montgomery.